

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19214
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On March 25, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 2000 through 2003 in the total amount of \$5,587.

The taxpayer filed a timely appeal. She did not request a hearing, but did submit information regarding tax years 2000 and 2001. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayer met the state income tax filing requirements and had not filed Idaho returns for taxable years 2000 through 2003, the Bureau attempted to contact the taxpayer for clarification. The taxpayer did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Determining the taxpayer had a requirement to file resident individual income tax returns, the Bureau prepared Idaho returns on her behalf and sent her a Notice of Deficiency Determination. In response to the notice, the taxpayer sent a letter of protest that she and her husband signed. In that letter, the taxpayer and her husband said they had been working on the requested returns and would be “submitting completed tax forms for 2002 and other tax years in the near future.”

That letter was followed by two additional letters with similar messages. Subsequently, the taxpayer provided the Idaho returns for 2000 and 2001, and the portion of the Notice of Deficiency Determination addressing those two years was canceled. Taxable years 2000 and 2001 will not be discussed further in this decision.

The taxpayer’s file was transferred to the Legal/Tax Policy Division for administrative review. She did not respond to a letter from the Tax Appeals Specialist advising her of her appeal rights.

The taxpayer does not deny she has a requirement to file Idaho individual income tax returns. However, she has not filed the returns for the years 2002 and 2003 and has submitted nothing that would cast doubt on the Bureau’s determination that was based on records retained by the IRS, Idaho Department of Labor, and Tax Commission.

Idaho Code § 63-3031 allows a married taxpayer to file a joint return with his/her spouse combining both incomes less the total withholding while using the married filing joint deduction. By not filing a state or a federal return for either year, she did not make the election. Therefore, the Bureau prepared the taxpayer’s returns on her behalf as married filing separate using the married filing separate deduction and splitting the income and withholding equally with her husband.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is

presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated March 25, 2005, is hereby MODIFIED, and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2002	\$1,014	\$254	\$170	\$1,438
2003	945	236	109	<u>1,290</u>
			TOTAL	<u>\$2,728</u>

Interest is computed through March 15, 2006.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is included with this decision.

DATED this ____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2006, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

Receipt No.